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ADM-2.5

DD/ST# 2144-68

OEL-474-68

28 MAY 1968

MEMORANDUM FOR: Deputy Director for Science and Technology

SUBJECT: FY-1969 Budget Reduction

1. Attached is a brief description of the OEL R&D Program for FY-1969. Three categories of dollar figures are shown; those that appear in the Congressional budget, those that are adjusted to absorb a \$1100K reduction, and finally a 36 percent reduction.

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2. The general impact would be for OEL to reduce emphasis on hardware and increase emphasis on studies, systems analysis and design. Within the specifics presented we have certain fixed costs such as equipment service contracts and the [REDACTED]. Under any reduction phase we will continue emphasis on the automation of [REDACTED] with effort devoted to clandestine equipment techniques including [REDACTED]. This level has been set as one suitable for initial systems definition, looking forward to advanced hardware development for specific operations. In the interim, we intend to maintain a reasonable level of clandestine operations with DD/P.

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3. With an uncut budget we would proceed as rapidly as possible into Phase II of [REDACTED] automation working toward on-site analysis. With either cut we will have to slow down. We would proceed with an operator console unit but fund only the system and design phase. We intend to study [REDACTED] hardware and software and fund some hardware breadboards for [REDACTED]. A reduction will cause the clandestine equipment effort to be reduced. We will fund certain systems studies and

DD/S&T

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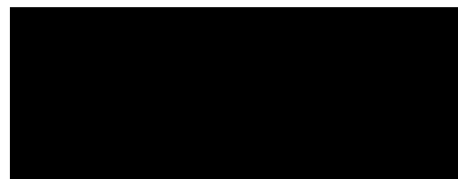
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GROUP 1
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25X1A should an opportune target emerge we will attempt to fund under the [REDACTED] contract. Most other budget categories would be eliminated as set forth in the attachment.



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DIRECTOR OF ELINT
DD/S&T

Attachment:
OEL R&D Program
Description

Distribution:

Original & 1 - Addressee w/att
1 - DD/S&T Reg. w/att
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25X1A C/PGB/OEL [REDACTED] 4201:dp (28 May 1968)

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Approved For Release 2000/08/25 : CIA-RDP71B00529R000100010015-7

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Approved For Release 2000/08/25 : CIA-RDP71B00529R000100010015-7